



California Department of Veterans Affairs

NEWS FOR VETERANS

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March 18, 2005

CALVET PROGRAM CHANGES IN 2005

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Several significant changes to the CalVet home loan program became effective at the beginning of 2005. The first change is an increase in the maximum loan limits for the different property types eligible for CalVet financing. The maximum loan for single-family residences will now be \$359,650. For farms, the maximum will be \$539,475, and for mobile homes in rental parks the maximum remains the same at \$125,000. The new maximum loans for homes and farms are based on the conforming loan limits set by Freddie Mac each November for the coming year. In 2004 the California median home price reached record high levels, the third year in a row that a new record has been set.

The outlook for 2005 is largely dependent on what happens with interest rates, whether they rise quickly or gradually. CalVet is committed to offering interest rates that assist veterans in realizing their dreams of home ownership and to making available loan products that are good choices for veterans. Some of the products on the market right now through other lenders, such as interest only adjustable rate mortgages, and mortgages with balloon payments, may end up producing foreclosures rather than equity in a home. CalVet offers products that allow veterans to ride out economic rough spots and permit equity to build over time.

Another change for 2005 was brought about by Assembly Bill 2266, which adds "cooperative housing" to the definition of "home" in Section 985 of the Military and Veterans Code. Cooperative housing is a real estate development in which buyers purchase shares of stock and receive the right to occupy specific units. The cooperative owns the development, and all of the residents contribute to the management and maintenance. Generally the cost of the stock is low compared to other housing options. Cooperative housing, or co-ops as these developments are most commonly known, are more common in urban areas and in the eastern United States. You can find co-ops in San Francisco and Los Angeles. There are mobile home parks in the Los Angeles area, as well as the Central Coast and other areas in California, that are also set up as co-ops.

Finally, the Domestic Partnership Act (AB205) became operational on January 1, 2005. This new law gives registered domestic partners many of the same rights, protections, benefits, obligations and /or responsibilities married couples have. This law means that a veteran can now obtain a CalVet loan with a registered domestic partner as co-borrower. However, the VA loan will not be available in conjunction with a CalVet loan to a veteran and registered domestic partner if the domestic partner's income is needed to qualify for the loan. (VA doesn't allow using the income of another person on what it calls "joint loans.") A veteran who currently has a CalVet loan can add his or her registered domestic partner to the loan. There are specific guidelines regarding who can be registered as domestic partners. Registration

forms are available on the Secretary of State's website at <http://www.ss.ca.gov/dpregistry/index.htm>.

Each year in January there are modifications to the CalVet program as maximum loans change and new legislation takes effect. It is always interesting to deal with the changes as they occur and to reflect on why these changes have come about. Sometimes these changes come about because of economic change, sometimes because of political change, and sometimes because of social change. No matter what the reason, CalVet always evolves with the times and continues to deliver the loans upon which many veterans have come to depend.

NEWS FROM THE USDVA'S OFFICE OF READJUSTMENT COUNSELING

Grief Counseling Available To Families Of Active Military, Guardsmen, And Reservists

For the first time, spouses, parents, grandparents, siblings and children of active –duty military, including activated guardsmen and reservists can get grief counseling through the Department of Veterans Affairs. The service is not limited to deaths in a combat zone.

The VA's Office of Readjustment Counseling is helping families at 206 community-based veterans' centers throughout the United States and in Guam, Puerto Rico and the Virgin Islands. Information is available at www.va.gov/rcc and services are obtained by contacting Readjustment Counseling Service (RCS) at (202) 273-9116 or via email at veterans.center@hq.med.va.gov. RCS staff will assist families in contacting the nearest Vet Center. Vet Center services can even be provided in the family's home when necessary.

There is no cost for Vet Center bereavement counseling. No medical diagnosis is required to seek help, and services are completely confidential. The only way a counselor can share information on a case is with written permission of the family member.

The VA-based services are available the moment the family member seeks help. There is no limit on the number of sessions a member can receive. The staff will determine what is deemed clinically appropriate.

VA has partnered with peer-mentoring services offered by the nonprofit Tragedy Assistance Program for Survivors, better known as TAPS. They offer grieving families and loved ones peer-to-peer support, by connecting those who have been there and through it and can speak from the heart with those that need the support. Also, unlike the VA program, the TAPS services are available to anyone who knew the deceased service member, be it family, friend or significant other. People can contact the organization 24 hours a day by calling 800-959-TAPS (800-959-8277); information is available on the Internet at www.taps.org. If you have any questions contact Betsy Hearn, State Cemetery Grants Service, at betsy.hearn@va.gov or at 202-565-6801.

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